

## **Prohibiting Texas Supreme Court from adopting rules relating to attorney's fees**

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HB 2987 by Seidlits (Brown)

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DIGEST:	HB 2987 would have prohibited the Texas Supreme Court from adopting rules that interfere with an attorney's ability to contract for legal fees or that discourage competition among attorneys to provide legal services.
GOVERNOR'S REASON FOR VETO:	<p>"House Bill 2987 would remove the Texas Supreme Court and the State Bar of Texas from their historical role of protecting the citizens of Texas from unprofessional and unethical conduct by lawyers. The bill provides that the Texas Supreme Court cannot pass rules that interfere with an attorney's ability to contract for legal fees or that discourage competition among attorneys to provide legal services. This bill would call into question the following: (i) Rule 1.04 of the Texas Disciplinary Rules of Professional Conduct, which provides that an attorney in Texas may not charge a client an unreasonable fee; and (ii) the recently enacted lawyer advertising rules. Rule 1.04 was modeled on a rule suggested by the American Bar Association, passed overwhelmingly by State Bar members through a statewide referendum, and promulgated by a unanimous Texas Supreme Court in 1990.</p> <p>"This bill is contrary to sound public policy because it is so broadly drawn. A more concisely phrased bill, supported by the State Bar, could more accurately address the policy concerns underlying this legislation; namely, the Texas Supreme Court's authority to pass rules that interfere with the freedom of contract. The existing body of rules enacted by the Court reveal, however, that the Court, to date, has not adopted a rule which improperly infringes upon a lawyer's freedom to contract."</p>
RESPONSE:	Rep. Curtis Seidlits, the author of HB 2987, said: "The bill was never intended to affect Rule 1.04 of professional conduct. The bill was trying to protect the free-market relationship between client and attorney. I would be pleased to consider a more concisely phrased bill next session to address the governor's concerns."
NOTES:	HB 2987 passed the House on the Local and Consent Calendar and was not analyzed in a <i>Daily Floor Report</i> .